

*These notes refer to the Companies Act 2006 (c.46)
which received Royal Assent on 8 November 2006*

COMPANIES ACT 2006

EXPLANATORY NOTES

COMMENTARY

Part 18: Acquisition by Limited Company of Its Own Shares

Chapter 3: Redeemable Shares

Section 684: Power of limited company to issue redeemable shares

996. This section replaces section 159(1) of the 1985 Act and restates section 159(2) of that Act.
997. For private companies only, it removes the requirement for prior authorisation in the company's articles for a proposed allotment of redeemable shares. If they wish, the members may, however, restrict or prohibit the authority given to a company by this section, by including a provision to this effect in the company's articles (see *subsection (2)*).